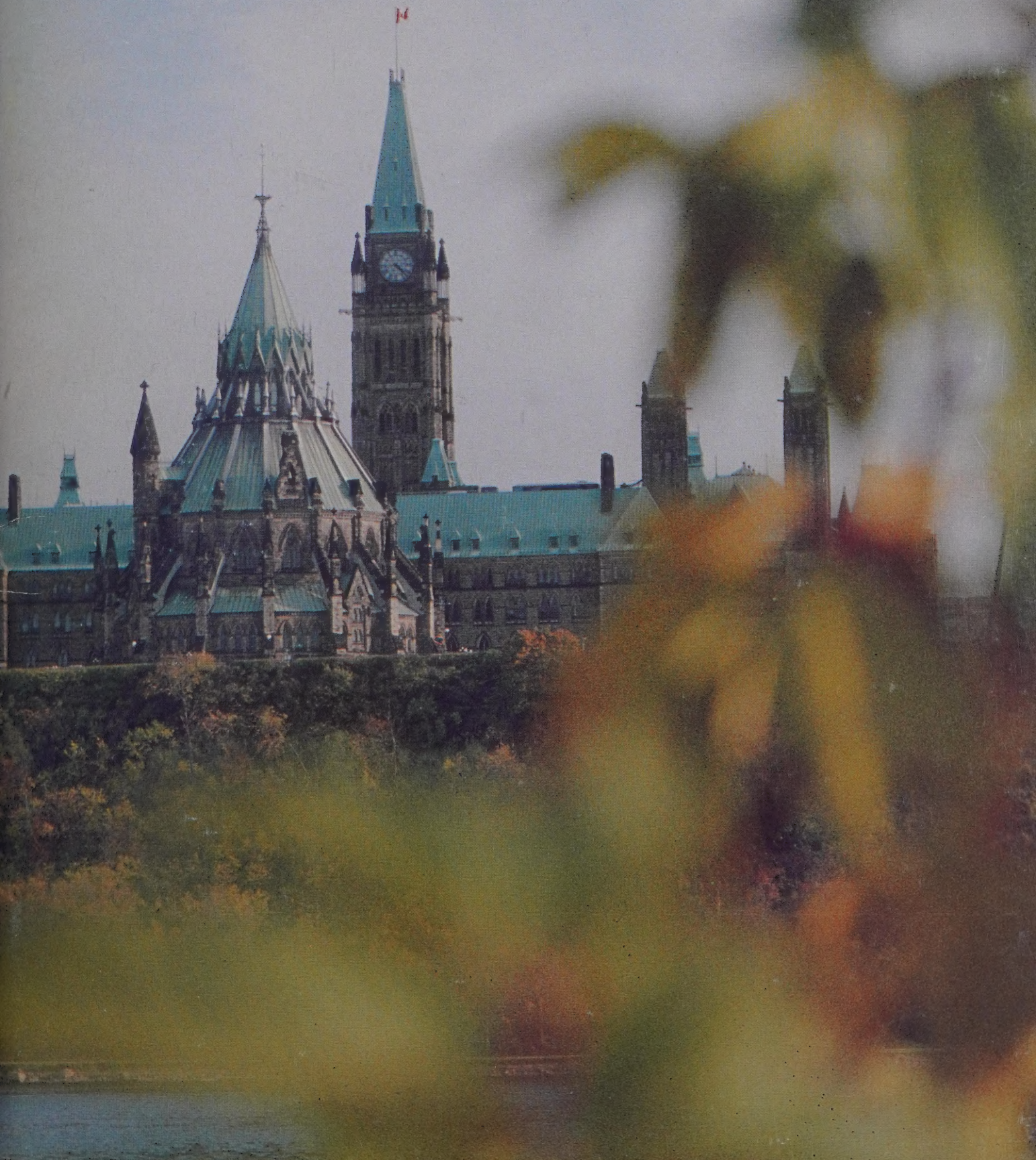




Royal Trust
1977 Annual Report

AR02



Board of Directors

The Royal Trust Company Royal Trustco Limited and Royal Trust Corporation of Canada

*Conrad F. Harrington
*Chairman of the Board,
Chairman of the Executive Committee*

*Kenneth A. White
President and Chief Executive Officer

John D. Allan
*President, The Steel Co. of Canada,
Ltd.*

R. James Balfour
*Partner – Balfour, Milliken, Moss,
Laschuk, Kyle, Vancise & Cameron
(Barristers and Solicitors)*

Robert G. Bentall
*President, Dominion Construction Co.
Ltd.*

G. Drummond Birks
*President and Chief Executive Officer,
Henry Birks & Sons Ltd.*

*+Donald N. Byers
*Senior Partner – Byers, Casgrain,
McNally, Dingle, Benn & Lefebvre
(Barristers and Solicitors)*

James M. Cameron
*Executive Vice-President,
TransCanada PipeLines Ltd.*

*+Alastair M. Campbell
*Chairman,
Sun Life Assurance Co. of Canada*

+Keith Campbell
Vice-President, Canadian Pacific Ltd.

Charles J. Clark
*Senior Partner – McTague, Clark
(Barristers and Solicitors)*

Henry Collingwood
*Chairman, Baine, Johnston & Co. Ltd.
(Food Wholesalers)*

James B. Cross
President, Territorial Hotels Ltd.

Camille A. Dagenais
*Chairman and Chief Executive Officer,
SNC Enterprises Ltd.
(Consulting Engineers)*

*+Fraser M. Fell
*Partner – Fasken & Calvin
(Barristers and Solicitors)*

*+Eric L. Hamilton
Chairman, Canadian Industries Ltd.

Harold Husband
*President,
Victoria Machinery Depot Co. Ltd.*

Frederick W. P. Jones
Financial Consultant

*Member of Executive Committee,
*Member of Audit Committee,
The Royal Trust Company

Walter F. Light
President, Northern Telecom Ltd.

Angus A. MacNaughton
*Vice-Chairman and Chief Executive
Officer, Genstar Ltd.*

John F. McDougall
*President, McDougall & Secord, Ltd.
(Real Estate Management)*

*+The Hon. Maurice Riel, Senator
*Counsel and Partner,
Stikeman, Elliott, Tamaki, Mercier
& Robb
(Barristers and Solicitors)*

David G. Waldon
*Chairman and Chief Executive Officer,
Interprovincial Pipe Line Ltd.*

Allan Waters
*President and Chief Executive Officer,
CHUM Ltd.*

Marshall M. Williams
President, Calgary Power Ltd.

Honorary Directors

Thomas W. Eadie
Charles P. Fell
Percy M. Fox
G. Blair Gordon
The Hon. George C. Marler
Jean Martineau
John W. McKee
John L. O'Brien
Arthur C. Price

Officers

The Royal Trust Company

Chairman of the Board Chairman of the Executive Committee

Conrad F. Harrington

President and Chief Executive Officer

Kenneth A. White

Senior Executive Vice-President and Chief Operating Officer

John M. Scholes

Executive Vice-Presidents

Richard T. La Prairie
Finance

Keith C. Pilley
Functional Operations

Group Vice-Presidents

G. Roger Otley
Investments

Alan Purdy
Real Estate and Mortgages

Glyn Smallwood
Trust Services

Ewart A. Wickens
Finance

Senior Vice-President

Charles C. de Léry
Administration

Vice-Presidents

David B. Ascott
Personal Trust Services

Edward P. Cannon
Comptroller

Jacques Dionne
Quebec Region

André Forest
Mortgage Services

Robert T. Horwood
Information Systems

John C. Macfarlane
Treasurer

C. Terrill Manning
General Counsel

John H. Matthews
Western Region

F. Sandy Milligan
Personnel

George Mitchell
Ontario Region

Richard A. Pallot
Florida Region

Claude M. Root
Real Estate

Ian D. Sneddon
Money Services

Robert S. Traquair
Metro Toronto Region

Harry E. Trenholme
International Services

Secretary

A. V. Lennox Mills

Lauchlin A. Chisholm
Director, Public Relations



78th Annual Report of The Royal Trust Company

for the year ended December 31, 1977
(Consolidated Operations)

78th Annual General Meeting, Montreal, Thursday, March 2, 1978, 11.00 a.m., Le Château Champlain Hotel

Highlights

	1977	1976
	(Dollars in thousands, except per share amount)	
Gross income	\$ 595,482	\$ 504,019
Net operating profit	\$ 18,514	\$ 19,610
Net operating profit per share	\$ 1.55	\$ 1.78
Net profit	\$ 17,854	\$ 19,128
Net profit per share	\$ 1.50	\$ 1.74
Assets	\$ 4,867,130	\$ 4,269,268
Estimated market value of Estates, Trusts and Agency Accounts under administration	\$14,354,000	\$12,559,000
Total assets under administration	\$19,221,130	\$16,828,268
Total number of offices	247	236
Total number of employees	8,124	7,815

Contents

IFC	Board of Directors, and Officers
1	Highlights
2	Company Profile
4	Report to Shareholders
	Consolidated Financial Statements
9	Financial Review
10	Shareholders' Statistics
12	Securities
13	Maturities of Investments, and Deposits and Borrowings
16	Balance Sheet
17	Auditors' Report
18	Profit and Loss, Retained Earnings and Contributed Surplus Accounts
19	Changes in Financial Position
20	Notes to Financial Statements
24	Ten-Year Review
26	Boards of Directors, Other Subsidiaries
27	Advisory Boards
28	Services

630 Dorchester Blvd. West
Montreal, Que.
H3B 1S6

Company Profile

Our 1977 Annual Report salutes Canada's 110 years of growth and prosperity.

We are proud to have been a part of the record of growth and development covering the past 78 years. As you know, we are a publicly-owned Company with nearly 8,000 shareholders, 94 percent of whom are Canadians.

Royal Trust opened for business in Montreal on November 24, 1899 with one employee and a borrowed desk. The Company had been incorporated seven years earlier to execute trusts and administer estates, to offer safety deposit facilities and to act as general financial agents.

We have never abandoned the primary and traditional role of executor and trustee and have greatly expanded our services to meet customer needs through the years. Today, the Royal Trust group of companies provides services to individuals, corporations and institutions throughout Canada, the United States and overseas.

(See page 28 for list of services provided)

Royal Trustco Limited, founded in 1976 with a federal charter, is of growing importance in the Royal Trust group of companies. It is a holding company providing overall financial control, planning and direction.

Royal Trust Corporation of Canada is registered to do trust business in all Canadian provinces except Quebec, where our operations continue under the existing provincial charter.

In Canada, the Company and its principal subsidiaries offer a complete range of personal and corporate trust services. We have 102 savings offices serving more than 300,000 depositors.

In 1977, the corporate trust services function distributed in excess of 1,500,000 dividend and interest cheques representing more than \$400,000,000. These payments were made to more than 500,000 owners of securities in Canada and abroad.

We disbursed an average of \$5,200,000 in mortgage loans every business day to finance residential, commercial, industrial and other real estate.

We administer the affairs of nearly 1,600 pension and deferred profit sharing plans covering the future retirement security of hundreds of thousands of persons.

We are the leading broker of residential real estate in Canada with 153 offices and more than 3,000 agents operating in the major population centres across the country.

Our computer service subsidiary, Computel Systems Ltd., from its base in Ottawa and through a coast-to-coast network of high speed teleprocessing terminals, operates one of the largest and most advanced computer data systems in Canada. While Computel provides computer services at arms length to the Royal Trust group, it is a major provider of services to outside industrial, commercial, government and other clients.

In the United States, Royal Trust Bank Corp., our bank holding company with headquarters in Miami, is one of Florida's fastest growing financial institutions with 12 banks and branches located throughout the six principal counties in the state.

Since 1929, we have been established in Britain. Our London company operates trust facilities and more recently has achieved modified banking status.

Also in Europe, we have subsidiaries in the Republic of Ireland, the Channel Islands and the Isle of Man, and trust facilities in Liechtenstein and Switzerland.

Throughout the system in the Royal Trust group of companies, there are 247 offices in Canada, the United States and abroad and total staff of more than 8,000.

Principal Subsidiaries and Associated Companies of The Royal Trust Company

Subsidiaries

Canada

Royal Trustco Limited
 Royal Trust Corporation of Canada
 Computel Systems Ltd.
 Builders Financial Co. Limited
 The Royal Trust Company Mortgage Corporation

USA

Royal Trust Bank Corp.
 Royal Trust Bank of Miami, N.A.
 Royal Trust Bank of South Dade, N.A.
 Royal Trust Bank of Broward County
 Royal Trust Bank of St. Petersburg
 Royal Trust Bank of Tampa
 Royal Trust Bank of Palm Beach, N.A.
 Royal Trust Bank of Jacksonville

Staff and Offices

	Sala- ried Staff	Com- mis- sioned Staff Real Estate Sales	Staff Total	Offices
1968	2,068	200	2,268	52
1969	2,332	233	2,565	57
1970	2,424	393	2,817	68
1971	2,531	583	3,114	76
1972	2,880	908	3,788	101
1973	3,139	1,257	4,396	113
1974	3,222	1,523	4,745	123
1975	3,636	1,923	5,559	142
1976	4,466	3,349	7,815	236
1977	4,916	3,208	8,124	247

Overseas

England

The Royal Trust Company of Canada, London

Channel Islands

The Royal Trust Company of Canada (C.I.) Ltd.,
 St. Helier, Jersey

Ireland

The Royal Trust Company (Ireland) Limited,
 Dublin

Isle of Man

The Royal Trust Company (Isle of Man), Douglas

Liechtenstein

The International Royal Trust Company A.G.,
 Vaduz

Switzerland

The Royal Trust Company A.G., Zürich

Associated Companies

Canada

Arteco Mortgage Investment Company

BM-RT Ltd.

Insmor Holdings Ltd.

TohCan Limited

Other

Bahamas International Trust Company Limited
 (BITCO)

Cayman International Trust Company Limited
 (CITCO)

International Trust Company of Bermuda Limited
 (ITCOB)

Report to Shareholders



Kenneth A. White (left), President and Chief Executive Officer and John M. Scholes, Senior Executive Vice-President and Chief Operating Officer.

It is our pleasure to present the 78th annual report of The Royal Trust Company covering our activities during 1977.

Without question it was a year of serious economic problems throughout Canada, and indeed the Western world. For Canadians, it was a time of political uncertainty causing great concern and some apprehension. Yet, it was also a year producing positive achievements which cannot be overlooked.

These aspects of the Canadian scene were reflected in the performance of your Company. The disappointing financial results of the 1977 first quarter were offset in succeeding quarters by a greatly improved level of profitability. The trend developed by year's end indicated an early return to our long established growth pattern. The turnaround could not have been achieved without the diligence, determination and sheer hard work of all officers and staff during the last three quarters.

The overall performance of the Company in some ways was similar to that of the Canadian economy which grew very slowly during the first half of 1977, before showing a modest recovery in the last half. Our expectations in 1978 are for a marginally stronger growth in both the Canadian and United States economies. For the Canadian economy in particular our attitude is, fundamentally, one of optimism.

Conrad F. Harrington, Chairman of the Board of Directors, retires from that post, effective March 2, 1978, having reached the mandatory retirement age. Mr. Harrington, who has served Royal Trust in successively senior appointments since 1945, was President from 1965 to 1970 prior to his election as Chairman of the Board of Directors in 1970. He has been a member of the Board of Directors of the Company since 1960, the longest term of service among the serving directors. It is anticipated that his experience and valued counsel will continue to be available in the role of Chairman of the Executive Committee.

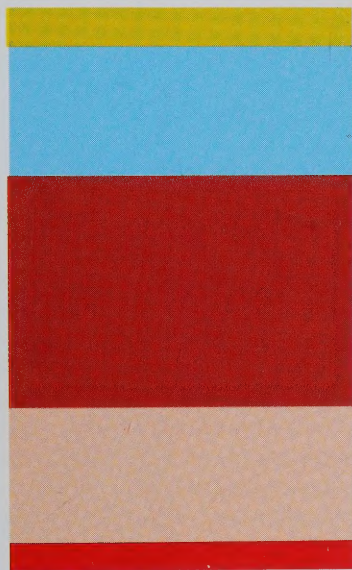


Highlights of 1977 Operations

In spite of many negative factors affecting 1977 results, our growth has continued. The balance sheet now exceeds \$4.8 billion and our gross income reached \$595 million, a new record. Our balance sheet growth and operating results are covered in the Financial Review section starting on page 9.

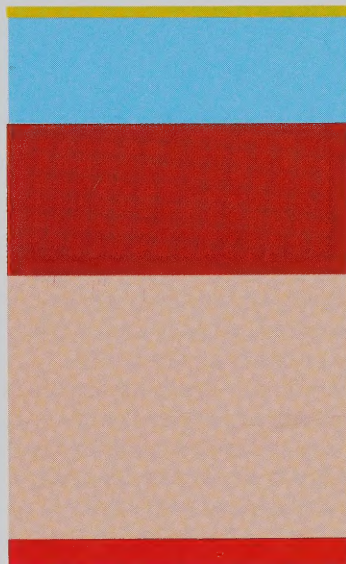
It is now apparent that 153 real estate offices in major centres across the country with 3,000 agents has established us as the largest broker of residential real estate in the country. Without any addition to sales staff or any increase in real estate advertising, our gross real estate commis-

These comparative charts illustrate the broadening of our business base both nationally and internationally over the past decade.



Geographical Distribution of Income 1977

- Atlantic - 5%
- Quebec - 24%
- Ontario - 41%
- Western Canada - 23%
- Foreign - 7%



Geographical Distribution of Income 1967

- Atlantic - 5%
- Quebec - 47%
- Ontario - 27%
- Western Canada - 19%
- Foreign - 2%

sions in 1977 increased by 27%. This division and its staff are to be commended for the excellent results.

The long term expansion plan for our Savings operations in Canada continued with the opening of six new offices; four in Ontario, one in Quebec and one in Alberta. Implementation of an on-line computer system for Savings offices was completed during the year. More than 300,000 depositors are now served from 102 Savings offices across Canada. Total deposits increased during 1977 by \$144 million, or 35%, a record. This growth was in addition to sales, net of redemptions, of \$300 million in Guaranteed Investment Certificates. A significant factor in this growth was a staff incentive sales programme conducted early in the year.

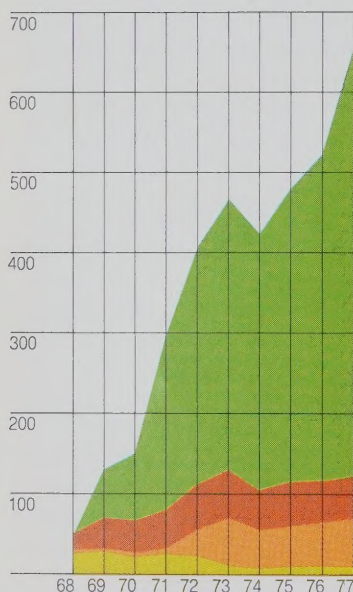
Managed Investment Funds (A, B, C and M) grew by \$133 million with substantially all the growth accounted for by M Fund which now exceeds \$500 million. Assets of the funds at year end total \$656 million. In addition, BM-RT Realty Investments, which is jointly sponsored by Royal Trust and Bank of Montreal, increased its total assets by \$165.5 million, for a year end total of \$496.8 million.

In Florida, our operations were expanded by eight additional banking locations, resulting in 12 locations by year end. Total deposits increased by \$75 million, of which \$30 million arose from acquisitions, to produce a total of \$232 million.

Another area of significant growth, the Pension Trust function, added more than \$1 billion of assets to the total under our administration. We anticipate this type of growth will continue due to changes in the Federal Income Tax Act which permit greater tax deductible contributions to pension and other tax deferral plans.

We are also pleased to note that new business arising from the Estates, Trusts and Agencies function increased materially. We do have some concern in this area of our operations as the cost of operating this very highly skilled, labour-intensive function has tended to rise more rapidly than the fee revenues it produces.

Our mortgage lending operations experienced a historical high. In spite of intensely competitive conditions, we were able to meet a strong demand for mortgages which resulted in a record total of \$1.4 billion of mortgage disbursements in 1977. As in the past we placed the largest



Managed Investment Funds
(Market Value) (Millions of Dollars)

Royal Trust offers to the public participation in four investment funds: A – for American securities; B – for bonds; C – for Canadian securities and M – for mortgages. Currently there are some 83,000 participants in these funds, many of whom are on a monthly subscription plan.

■ A Fund
■ B Fund
■ C Fund
■ M Fund

portion of this sum in loans on residential real estate. We continued our active role in financing projects under the various subsidy programmes provided by the Federal and Provincial Governments. During the year interest rates were stable and lower than those prevailing during 1976.

To meet future growth, our Ottawa based subsidiary, Computel, increased its already substantial computer capacity with the addition of a second IBM 370/168 and two Hewlett Packard minicomputers. As stated in our third quarter report, we were required by the Federal Reserve Board of the United States to divest ourselves of control of Computel's subsidiary in California as its activities were not ancillary to banking in the United States. We believe this divestiture will not have a material impact on future profits. Excluding the profitable operations of this California subsidiary for the last half of 1977, Computel's operating profit before taxes increased by \$1.1 million. It should be noted that Computel's operations in Florida, where it services other banks as well as our own, are regarded by the Federal Reserve Board as permissible activities.

During the year many of our officers were provided with an opportunity to contribute their expertise to the needs of the Trust Companies Association of Canada. In particular, they assisted in developing representations to governments for modifications in the Common Law Provinces in the taxation of estate and agency accounts. A number of officers were involved also in the education and accreditation programme provided by the Education Division of the Trust Companies Association of Canada. The general objective of this programme is to improve the overall quality of service to the public by member companies in the trust industry. In our opinion the programme has been an unqualified success and many of our staff members have availed themselves of this opportunity to broaden their knowledge and stature in the Company and the trust industry.

Corporate Organization

You will recall that in January 1976 we announced the formation of two federally incorporated companies, Royal Trustco Limited, a holding company, and its subsidiary, Royal Trust Corporation of Canada, a trust company. The purpose of establishing these companies was further explained in the 1976 annual report. The holding company will facilitate our future expansion programme as its investment powers are broader than those available to a trust company.

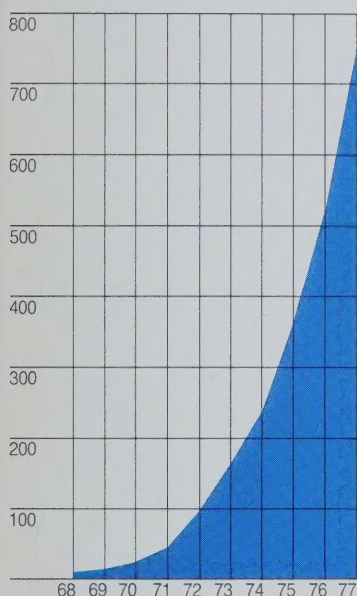
All subsidiary and affiliated companies have been transferred to Royal Trustco Limited for which we are now establishing an executive group. This group will provide overall direction to our consolidated operations.

In the Province of Quebec, our operations will continue to be managed directly by the parent Company, The Royal Trust Company. Our Canadian branch system outside Quebec has been assigned, for supervision and control, to Royal Trust Corporation of Canada. This company will have its own executive group and supporting staff, located in Calgary and Toronto.

In 1973, it was decided that for greater efficiency the computer facilities then operating from Montreal and Toronto should be centralized at Computel's facilities in Ottawa. Accordingly, the transfer of appropriate programming, systems and other support personnel to Ottawa will be completed in early 1978.

The new organization of the Company was necessary to meet the demands of our business across Canada. The cost of establishing executive groups and staffing for the new companies, together with the completion of the centralization of our computer operations is a non-recurring expenditure and treated as such in the statement of profit and loss for 1977.

There were a number of senior appointments among officers of the Company as follows: John M. Scholes, Senior Executive Vice-President and Chief Operating Officer; Charles C. de Léry,



Tax Benefit Plans

(Millions of Dollars)

Royal Trust offers several distinct Registered Retirement Savings and Registered Home Ownership Plans to Canadian taxpayers. Total participants in these tax sheltered savings plans now number some 171,534.

Senior Vice-President, Administration; Edward P. Cannon, Vice-President and Comptroller; Jacques Dionne, Vice-President, Quebec Region; Ian D. Sneddon was appointed to a new post, Vice-President, Money Services.

Language Legislation

We stated on the occasion of our last Annual Meeting, and subsequently have reiterated, that the language legislation of the Quebec legislature (first Bill 22, then Bill 101) was of concern to us. The reasons for this concern have now become only too apparent. We have witnessed during the year many harmful effects of this legislation that restricts the use of English in business and education in Quebec, as well as the right of French speaking Canadians to educate their children in English.

Those who are responsible for the management of national or international businesses based in Quebec are particularly concerned with the provincial government's approach to language regulations for Head Offices. Such regulations may depend on the bargaining power of the individual company, or the point of view of a particular government employee at a given time, or some other subjective criteria. Regulations and special arrangements can be changed easily or subjected to any number of arbitrary and personal interpretations. This adds to the uncertain environment created by Bill 101 and makes it difficult for any corporation to plan effectively for the future.

Our Company is on record as opposing the legislation, believed by us to be against the best interests of all the people of Quebec. Our position is representative of the majority attitude expressed in a number of briefs submitted to the Provincial Government by various business firms and individuals. The Act does not respond

in any practical or constructive way to the representations made in these briefs.

We oppose the concept of language legislation because it attempts to achieve by decree what really can only be obtained by individuals acting freely. People, not legislation, will ultimately determine the means of communication appropriate to any situation, and specifically to Quebec, in the years ahead.

Now that the Act has been thrust upon us, we must attempt to operate under the conditions imposed.

Directors

At the Annual Meeting in 1977 the Shareholders elected the following new Directors: Robert G. Bentall, President, Dominion Construction Co. Ltd., Vancouver; Charles J. Clark, Q.C., Partner – McTague, Clark (Barristers & Solicitors), Windsor; Allan Waters, President and Chief Executive Officer, CHUM Ltd., Toronto. During the year, the Board appointed James M. Cameron, Executive Vice-President, Trans-Canada PipeLines Ltd., Toronto, as a Director of the Company, and accepted, with regret, the resignation of Joseph S. Land, Vice-Chairman of IAC Ltd. Fraser M. Fell, Q.C. and Eric L. Hamilton, C.A. were appointed to the Executive Committee replacing the Hon. George C. Marler and Frederick W. P. Jones, who resigned.

We were saddened by the death in September 1977 of George Huggett, a Director from 1944 to 1965, and an Honorary Director thereafter.

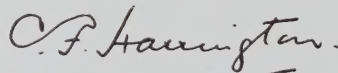
In Canada a number of changes have taken place among members of our Advisory Boards. The following have resigned: Howard T. Mitchell, Vancouver; F. Homer Zwicker, Nova Scotia; J. McGregor Grant, and Evan T. Gill, New Brunswick; Colonel John D. Fraser, Ottawa; John H. Evans, Saskatoon. In addition we recorded with regret the death of Maxwell J. Pratt of Newfoundland, a retired Vice-President of the Company, and Vernon B. King of London, Ontario.

The following new Advisory Board members have been appointed: Alastair H. Ross, President, Pembina Pipeline Limited, to the Calgary Advisory Board; David G. Waldon, a Director, to the Toronto Advisory Board; Robert G. Bentall, a Director, to the Vancouver Advisory Board; Sherman F. H. Zwicker, Mayor of Lunenburg, Nova Scotia, to the Nova Scotia Advisory Board; E. Neil McKelvey, Q.C., to the New Brunswick Advisory Board.

In Florida, Elda Santeiro, Guillermo Bermello and John C. Chinelly, Jr. joined boards of our Florida banks, and we were pleased to welcome to the Royal Trust group members of the board of Baymeadows Bank, now Royal Trust Bank of Jacksonville.

Overseas, we noted with regret the death of James W. W. Hyde, a Director of our subsidiary in the Isle of Man. He was replaced as a Director by Eric S. Behn.

In closing this report, we extend, on behalf of the Board of Directors and Shareholders, appreciation and gratitude to the staff for its superior performance under difficult conditions during the past year. As always, the success of the Company is related directly to the skills and dedication of members of its staff.



Conrad F. Harrington
Chairman of the Board



Kenneth A. White
President and Chief Executive Officer

Montreal, Canada, January 26, 1978

Financial Review

General

Operating profit improved greatly over the last three quarters of 1977 after a disappointing first quarter. A substantial recovery was recorded in the second quarter, improved upon in the third and sustained in the fourth. The final result was a net operating profit for the year of \$18.5 million, down 6% from 1976. This figure should be related to the first quarter of 1977 when profit was 66% lower than that for the comparable quarter of 1976.

Comparative Figures

Income and Expenses include the former operations of United Trust for the complete year 1977 and for five months only of 1976. United Trust operations are completely absorbed into our branch system and it is no longer possible to extract with precision figures relating to the extra seven months of operations included in our 1977 results. However, separate financial accounts for United Trust were maintained throughout 1976, the last full year of operations. Based on these figures, we have been able to estimate and assess our results exclusive of the former operations of United Trust.

Fees and Commissions

Major increases in fees and commissions were recorded for real estate sales commissions – 27% (estimated 14% exclusive of United Trust), mortgage administration and real estate appraisal services – 34% and managed investment funds – 18%.

The "Miscellaneous" category includes income earned by Douglas Leaseholds, a former subsidiary of United Trust. If Douglas had been excluded for both years, the increase from this source would be 14% rather than the 56% indicated.

Investment Income

For the year as a whole, investment income, net of interest paid, increased by 28%, in spite of the disappointing operating results recorded in the early part of the year. It is estimated that this increase would have been 24%, exclusive of United Trust.

Net investment income of \$78.9 million includes \$63 million from Canada, \$10.5 million from U.S.A. and \$5.4 million from our overseas operations. This compares with a total of \$61.1 million in 1976 consisting of \$51.7 million Canadian, \$6.3 million U.S.A. and \$3.1 million overseas.

Guaranteed Account, the main component of our Canadian money operations, suffered from a severe decline in interest spreads in the first quarter. This was attributable to two main factors, both of a temporary nature. First, we had an imbalance between the average term of our short term investments and the offsetting deposit liabilities. As a rule, frequent and substantial reductions in Bank Prime for short term rates react more immediately on return on our investments than on the rates we pay to depositors and holders of investment certificates. This caused an immediate and marked decline in our net income from money operations. Secondly, growth in our long term deposits during the first quarter exceeded the growth in our mortgage investments for a short period. This caused an additional negative impact on earnings. Both of these conditions were quickly corrected and by the third quarter there was a comeback to previous net returns, which continued to improve throughout the fourth quarter resulting in record earnings for Guaranteed Account by year end.

The major increase in net investment income from U.S. operations reflects the results of the Company's recent expansion programme in Florida.

In our overseas operations, our deposits increased by \$66 million, or 45%, to reach a year end total of \$214 million. It should be noted that part of this growth represents the translation of the figures from Sterling into Canadian Dollars at the higher rate prevailing at 1977 year end as compared to 1976. The real growth rate is closer to 25%. These factors, plus improved spreads, have increased our net investment income from overseas sources by a record 75%.

Expenses

The increase in the category "Salaries, pension contributions and other staff benefits" is \$14.9 million, or 26%, consisting of an \$11.9 million increase, or 24%, in direct compensation to staff and \$3 million, or 38%, additional costs of other benefits.

On a weighted average basis, the number of employees in 1977 was approximately 640 more than in 1976. The higher figure is partly accounted for by acquisitions, chiefly in 1976. The full impact on salary expenses was not felt until 1977. Of the \$11.9 million increase in direct compensation, an estimated \$8 million is applicable to staff acquired in the purchase of subsidiaries plus normal additions.

New benefits added to the Company's pension and group life plans, and a major rise in unemployment insurance rates, increased the costs of employee benefits.

Of the \$5.7 million increase in premises expenses, approximately \$3 million relates to the acquisition of subsidiaries and \$1 million to additional offices in Canada.

The addition of a major computer by Computel accounts for half of the increase of \$2.3 million in the category "Computer and office equipment expense". Completion of the conversion of our Savings offices in Canada to an on-line computer system also added substantially to increased expense in this category.

The increase of \$800,000 in amortization of goodwill relates equally to the acquisition of United Trust and Florida banks.

Advertising expense of \$8.2 million includes \$5.3 million applicable to the Company's real estate sales operations, the same as that spent in 1976, although gross real estate commissions earned increased by 27%.

The increase of \$7.5 million or 38% in "Other expenses" is due in part to price increases, primarily in the following categories: telephone and telex, stationery and supplies, postage and

express, legal and audit, insurance and bank clearing charges. A significant portion of these increases is associated with the acquisition of subsidiaries, in particular those acquired throughout 1976 whose expenses were recorded for part of 1976 and fully for 1977. Increased expenditures are of continuing concern and we are satisfied that actions taken during the past year will produce significant savings in 1978.

Taxes and Minority Interest

The different sources of profits applicable, resulted in a higher effective tax rate for 1977 of 44.6%, compared to 42% for 1976.

The reduction in the minority interest in profits by about \$250,000 was mainly the result of our purchase of 49.98% of Builders Financial Co. Limited from Continental Illinois Corporation of Chicago.

Shareholders' Statistics

*Adjusted for two for one split in 1973.

Where applicable to residents of Canada, for purposes of calculating taxes on Capital gains, a "V-Day" valuation price of \$37.50 as at December 22, 1971 was established by the Department of National Revenue. After giving effect to the two for one split on March 14, 1973 this price has changed to \$18.75.

	1968	1969
Number of shareholders	3,403	4,795
Average shares outstanding*	6,584,000	8,264,000
Number of shares traded*	972,000	842,000
Price range — high*	\$ 13½	\$ 14½
— low*	\$ 7⅞	\$ 10⅝
— close*	\$ 11¾	\$ 13½
Net operating profit per share*	\$ 0.69	\$ 0.77
Dividends per share*	\$ 0.38	\$ 0.42
Price earnings ratio — high	20	19
— low	10	14

Other Additions (Deductions)

Total net losses on investments of \$510,000 (1976 – \$110,000) are made up of losses on loans and mortgages \$2,968,000 (1976 – \$1,403,000) less net gains on sale of securities of \$2,458,000 (1976 – \$1,293,000). This increase in losses on loans and mortgages is due chiefly to the Company's Florida banking operations. We have strengthened its lending and credit review functions and current write-offs are within acceptable limits.

A special provision of \$3.3 million, net after tax, associated with a corporate reorganization is explained in the Report to Shareholders, on page 6 of this report.

Dividends

Dividend payments totalling \$11.5 million were at the rate of 96 cents per share, compared with a rate of 91½ cents per share in 1976. The quarterly rate was increased to 24 cents in the fourth quarter of 1976. This rate prevailed throughout 1977 and is applicable also for the first quarter of 1978.

Balance Sheet

Our 1977 balance sheet grew by almost \$600 million, or 14%, over 1976. The prime source of growth was \$575 million from additional deposits and borrowings, as noted earlier. On the asset side, investments in mortgages increased by \$619 million, or 22%, and at year end totalled almost \$3.4 billion. Although investments in mortgages now account for nearly 70% of total assets, the Company continues to maintain a strong liquid position with 25% of total assets in cash, short term bank deposits, demand loans and marketable securities.

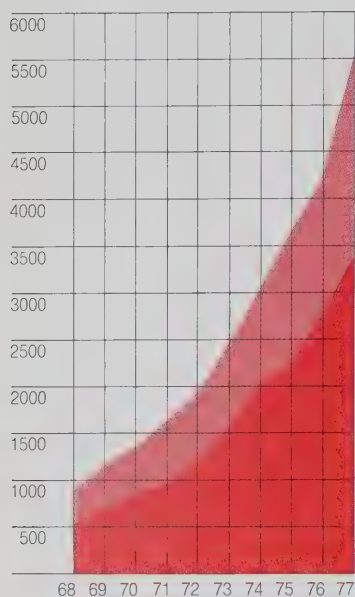
Changes in Financial Condition

For the first time, to provide more information, we have included a Statement of Changes in Financial Position in this report.

	1970	1971	1972	1973	1974	1975	1976	1977
	5,107	5,009	5,608	6,485	6,521	6,446	7,161	7,799
	8,518,000	9,428,000	9,718,000	10,190,000	10,329,000	10,365,000	10,996,000	11,933,000
	948,000	1,012,000	904,000	773,000	942,000	1,065,000	1,164,000	1,491,000
\$	15	\$ 20	\$ 25½	\$ 28¾	\$ 28¾	\$ 25⅞	\$ 24¾	\$ 18¾
\$	11¼	\$ 14⅞	\$ 18	\$ 21¾	\$ 17	\$ 18¾	\$ 15½	\$ 14½
\$	14¼	\$ 18	\$ 25⅞	\$ 26¼	\$ 20⅞	\$ 19⅞	\$ 17½	\$ 17
\$	0.80	\$ 1.07	\$ 1.28	\$ 1.40	\$ 1.35	\$ 1.83	\$ 1.78	\$ 1.55
\$	0.48	\$ 0.50	\$ 0.60	\$ 0.80	\$ 0.90	\$ 0.90	\$ 0.91½	\$ 0.96
	19	19	20	21	21	14	14	12
	14	13	14	16	13	10	9	9

Mortgages under Administration

as at December 31, 1977



Ten Year Growth

(Millions of Dollars)

- Own and Guaranteed Account
- Pension and Other Trust Clients

In 1977, the Company disbursements for mortgages amounted to \$1.4 billion of which 85% was directed to residential accommodations. Included in the \$5.5 billion of mortgages under administration are some 135,000 individual properties.



Geographical Distribution

- Maritimes – 6.5%
- Quebec – 16.1%
- Ontario – 44.6%
- Prairie Provinces – 18.3%
- B.C. – 13.2%
- Elsewhere – 1.3%



Type of Collateral

- House Loans – 65.0%
- Other Residential – 20.2%
- Commercial – 11.7%
- Industrial – 2.8%
- Others – 0.3%

Securities

(Dollars in thousands)

	1977		1976	
	Cost	Market	Cost	Market
Bonds of, or guaranteed by, governments of Canada, U.S.A. and U.K.	\$107,321	\$106,793	\$ 67,351	\$ 69,404
Bonds of, or guaranteed by, other governments	120,689	120,645	130,140	129,065
Obligations of corporations	141,165	143,868	164,747	167,206
Preferred Shares	20,288	20,964	20,603	17,120
Common Shares	19,200	18,842	21,081	20,079
	\$408,663	\$411,112	\$403,922	\$402,874

Maturities of Investments


(Dollars in thousands)

	Cash, Bank Deposit Receipts and Treasury Bills	Secured Loans, and Advances to Clients	Securities	Receivables under Equipment Leases	Mortgages	Total	
December 31, 1977							
Due within 1 year	\$680,600	\$120,552	\$231,848	\$ 5,454	\$ 573,095	\$1,611,549	33.9%
1 to 5 years		23,089	115,680	28,322	2,536,627	2,703,718	56.9
6 to 10 years		2,189	2,645	48,835	231,458	285,127	6.0
11 to 15 years			18,738	52,056	7,211	78,005	1.6
16 to 20 years			272	4,926	13,345	18,543	0.4
Beyond 20 years					18,149	18,149	0.4
Preferred and Common Shares			39,480			39,480	0.8
	\$680,600	\$145,830	\$408,663	\$139,593	\$3,379,885	\$4,754,571	100.0%
December 31, 1976							
Due within 1 year	\$607,108	\$204,733	\$271,697	\$ 5,903	\$ 375,083	\$1,464,524	35.2%
1 to 5 years	21,428	25,938	65,558	26,710	2,210,679	2,350,313	56.4
6 to 10 years		2,416	10,622	42,626	148,496	204,160	4.9
11 to 15 years		76	9,826	55,221	8,998	74,121	1.8
16 to 20 years			3,678	7,921	4,367	15,966	0.4
Beyond 20 years			857		13,510	14,367	0.3
Preferred and Common Shares			41,684			41,684	1.0
	\$628,536	\$233,163	\$403,922	\$138,381	\$2,761,133	\$4,165,135	100.0%

Maturities of Deposits and Borrowings

(Dollars in thousands)

	Deposit Certificates	Savings and Chequing Accounts	Short Term Notes	Debentures	Total	
December 31, 1977						
On demand and due within 1 year	\$1,425,113	\$703,063	\$ 78,448	\$ 12,441	\$2,219,065	48.1%
1 to 5 years	2,055,308		41,521	136,693	2,233,522	48.5
6 to 10 years	15,730			63,383	79,113	1.7
11 to 15 years	29,430			43,849	73,279	1.6
16 to 20 years				3,717	3,717	0.1
21 to 25 years	793				793	
	\$3,526,374	\$703,063	\$119,969	\$260,083	\$4,609,489	100.0%
December 31, 1976						
On demand and due within 1 year	\$1,223,832	\$512,911	\$117,821	\$ 9,287	\$1,863,851	46.2%
1 to 5 years	1,891,272	103	19,950	105,500	2,016,825	50.0
6 to 10 years	414			52,515	52,929	1.3
11 to 15 years	19			71,284	71,303	1.8
16 to 20 years	35			29,100	29,135	0.7
21 to 25 years	455				455	
	\$3,116,027	\$513,014	\$137,771	\$267,686	\$4,034,498	100.0%



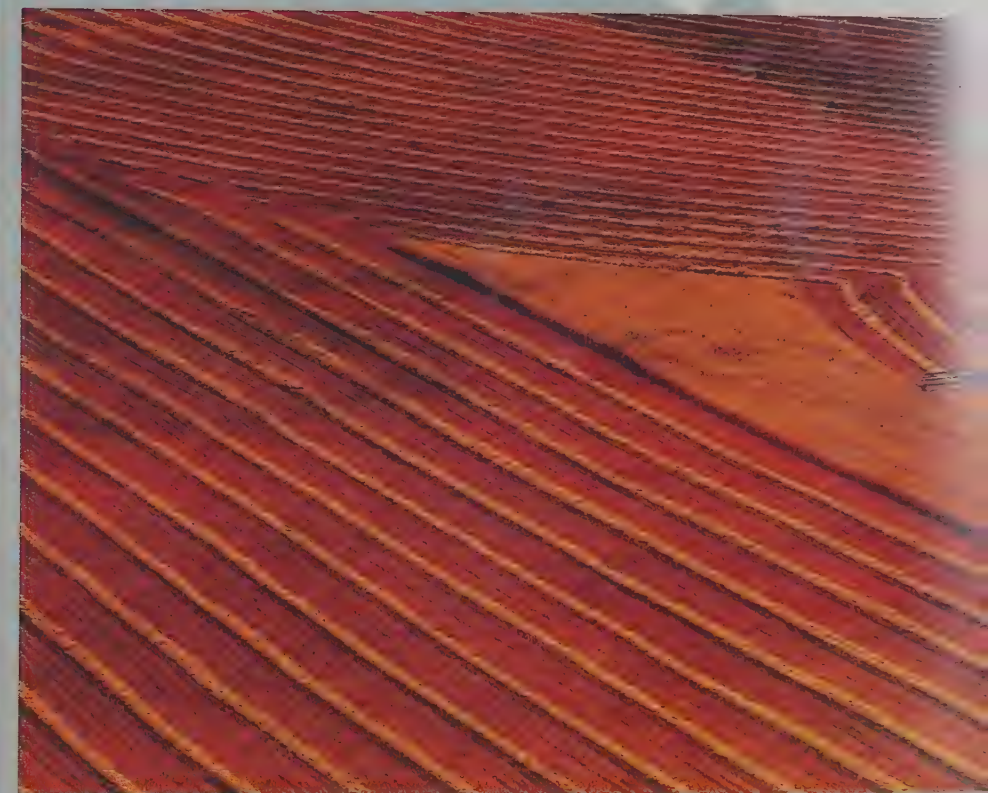
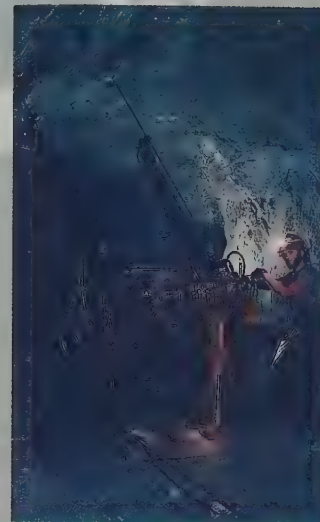
Canada has been created
because there has existed
within the hearts of its people
a determination to build for
themselves an enduring home.
Canada is a supreme act
of faith.

A. R. M. Lower



... It is the most lovely country
that can be imagined.
Capt. George Vancouver 1792

Country, like conscience,
is something that all of us have
deep within ourselves.
Gilles Vigneault



The Canadian Prairie is a
sight to the eye and an
emotional experience ...
V. S. Pritchett




Every river ultimately finds
its way through the labyrinth
to the universal sea.
Hugh MacLennan



Ours, after all, is the good
neighbourhood, a society
well worth preserving.
Mordecai Richler



... Let us open the windows
and the doors of the provinces.
Let us look over the walls and
see what is on the other side.
Let us know one another ...
Georges P. Vanier

A scenic view of a large lake, likely Lake Louise, with mountains in the background. The water is a deep blue, and the mountains are covered in green and brown vegetation. The sky is a pale blue. The text is centered in the upper half of the image.

Canada has been created
because there has existed
within the hearts of its people
a determination to build for
themselves an enduring home.
Canada is a supreme act
of faith.

A. R. M. Lower

Consolidated Balance Sheet**Assets**

as at December 31

1977**1976****Investments**(including assets held in trust
for Guaranteed Account – Note 3)

Cash, bank deposit receipts and treasury bills

\$ 680,600,000 \$ 628,536,000

Secured loans, and advances to clients

145,830,000 233,163,000Securities – at cost (Market 1977, \$411,112,000
1976, \$402,874,000)**408,663,000** 403,922,000Receivables under equipment leases, net of unearned income
(Note 4)**139,593,000** 138,381,000

Mortgages

3,379,885,000 2,761,133,000**\$4,754,571,000** \$4,165,135,000**Other Assets**

Accounts receivable

\$ 18,354,000 \$ 10,698,000

Income taxes recoverable

149,000 3,850,000

Properties at cost less accumulated depreciation and amortization

Premises, equipment and leasehold improvements (Note 2)

49,043,000 47,739,000

Investment properties (Note 2)

12,119,000 11,594,000Unamortized debenture and note discount and
underwriting commissions**2,087,000** 2,813,000

Investment in affiliates

6,947,000 5,655,000Excess of cost of investment in subsidiaries
over acquired equity in net assets (Note 2)**23,860,000** 21,784,000**\$ 112,559,000** \$ 104,133,000**\$4,867,130,000** \$4,269,268,000

Signed on behalf of the Board

Conrad F. Harrington

Kenneth A. White

Directors

Liabilities and Shareholders' Equity			
as at December 31		1977	1976
Deposits and Borrowings	Deposit certificates	\$3,526,374,000	\$3,116,027,000
(including deposits accepted	Savings and chequing accounts	703,063,000	513,014,000
for Guaranteed Account – Trust	Short term notes	119,969,000	137,771,000
Funds for investment – Note 3)	Debentures (Note 4)	260,083,000	267,686,000
		\$4,609,489,000	\$4,034,498,000
Other Liabilities	Miscellaneous liabilities	\$ 20,799,000	\$ 11,409,000
	Mortgages payable (Note 5)	23,655,000	24,188,000
		\$ 44,454,000	\$ 35,597,000
Deferred Income Taxes (Note 2)		\$ 48,453,000	\$ 37,295,000
Minority Interest in	Preferred shares	\$ 5,000,000	\$ 5,499,000
Subsidiary Companies	Common shares and equity	1,776,000	4,983,000
		\$ 6,776,000	\$ 10,482,000
Shareholders' Equity	Capital stock (Note 8)		
	Authorized – 20,000,000 A and B interconvertible shares		
	of \$0.50 par value		
	Issued and fully paid – 11,939,808 shares consisting of		
	11,057,236 A shares and 882,572 B shares		
	(11,929,157 total shares in 1976)	\$ 5,970,000	\$ 5,965,000
	Contributed surplus	83,747,000	83,589,000
	Retained earnings	68,241,000	61,842,000
		\$ 157,958,000	\$ 151,396,000
		\$4,867,130,000	\$4,269,268,000

Clarkson, Gordon & Co.
Chartered Accountants

Auditors' Report

To the Shareholders
of The Royal Trust Company

We have examined the consolidated balance sheet of The Royal Trust Company as at December 31, 1977 and the consolidated statements of profit and loss, retained earnings and contributed surplus accounts and changes in financial position for the year then ended and have obtained all the information and explanations we have required. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us, and as shown by the books of the Company, these consolidated financial statements are drawn up so as to exhibit a true and correct view of the state of the affairs of the Company as at December 31, 1977 and the results of its opera-

tions and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Clarkson, Gordon & Co.

Chartered Accountants

Montreal, Canada
January 26, 1978

Consolidated Statement of Profit and Loss

	for the year ended December 31	1977	1976
Income	<i>Fees and commissions from</i>		
	Estates, trusts and agencies	\$ 16,971,000	\$ 15,685,000
	Real estate sales and property management	97,827,000	76,871,000
	Stock transfer agencies and bond trusteeships	5,556,000	5,325,000
	Pension trusts and institutional accounts	7,496,000	6,809,000
	Mortgage administration	8,252,000	6,134,000
	Managed investment funds	7,241,000	6,156,000
	Computer services	14,787,000	15,314,000
	Miscellaneous	2,977,000	1,901,000
	Total fees and commissions	\$161,107,000	\$134,195,000
	<i>Investment income from</i>		
	Mortgages	\$311,806,000	\$248,866,000
	Securities and equipment leases	43,737,000	38,837,000
	Collateral loans	16,335,000	15,575,000
	Short term deposits	62,497,000	66,546,000
	Total investment income	\$434,375,000	\$369,824,000
	Total income	\$595,482,000	\$504,019,000
Expenses	Interest paid	\$355,501,000	\$308,755,000
	Salaries, pension contributions and other staff benefits	72,606,000	57,704,000
	Commissions to real estate agents and salesmen	65,402,000	51,174,000
	Premises expense (net after rental income)	17,055,000	11,401,000
	Computer and office equipment expense	13,984,000	11,646,000
	Amortization of goodwill	1,283,000	472,000
	Advertising	8,155,000	7,995,000
	Other expenses	27,330,000	19,867,000
	Total expenses	\$561,316,000	\$469,014,000
	Profit before income taxes	\$ 34,166,000	\$ 35,005,000
	Income taxes – current	\$ 1,231,000	277,000
	– deferred	13,992,000	14,441,000
	Net profit before interest of minority shareholders	\$ 18,943,000	\$ 20,287,000
	Minority interest	429,000	677,000
Net Operating Profit	(per share 1977 – \$1.55, 1976 – \$1.78)*	\$ 18,514,000	\$ 19,610,000
	<i>Other additions (deductions)</i>		
	Net gains (losses) on investments including provision for losses	(510,000)	(110,000)
	Foreign exchange adjustment	3,239,000	(1,135,000)
	Gain on disposal of premises	42,000	189,000
	Income taxes applicable to above items	(155,000)	574,000
Net Profit Before Extraordinary Item	(per share 1977 – \$1.77, 1976 – \$1.74)*	\$ 21,130,000	\$ 19,128,000
	Provision for moving and relocation costs associated with corporate reorganization, after income taxes of \$3,024,000 (including \$610,000 in 1977, after income taxes of \$563,000)	3,276,000	
Net Profit	(per share 1977 – \$1.50, 1976 – \$1.74)*	\$ 17,854,000	\$ 19,128,000

*Earnings per share are based upon weighted monthly average shares outstanding: 11,933,000 for 1977 and 10,996,000 for 1976.

Consolidated Statements of Retained Earnings and Contributed Surplus Accounts

	for the year ended December 31	1977	1976
Retained Earnings Account	Balance January 1	\$ 61,842,000	\$ 52,662,000
	Net profit for the year	17,854,000	19,128,000
		\$ 79,696,000	\$ 71,790,000
	Deduct: Dividends paid (Note 8)	11,455,000	9,948,000
	Balance December 31	\$ 68,241,000	\$ 61,842,000
Contributed Surplus Account	Balance January 1	\$ 83,589,000	\$ 54,048,000
	Premium on issue of shares	158,000	29,541,000
	Balance December 31	\$ 83,747,000	\$ 83,589,000

Consolidated Statement of Changes in Financial Position

	for the year ended December 31	1977	1976
Financial Resources Provided	<i>Operations</i>		
	Net profit for the year	\$ 17,854,000	\$ 19,128,000
	Non-cash items charged against net profit		
	Depreciation and amortization of properties and leasehold improvements	6,173,000	5,021,000
	Amortization of debenture and note discount and underwriting commissions	473,000	421,000
	Deferred income taxes	13,992,000	14,441,000
	Unexpended portion of provision for moving and relocation costs less income taxes	2,666,000	
	Amortization of goodwill	1,283,000	472,000
	Net profit applicable to minority shareholders not distributed to them during year	194,000	260,000
	Financial Resources From Operations	\$ 42,635,000	\$ 39,743,000
	Increase in deposits and borrowings	547,553,000	439,926,000
	Shares subscribed under employees' stock option plan	163,000	482,000
	FINANCIAL RESOURCES PROVIDED	\$590,351,000	\$480,151,000

Financial Resources Applied	<i>Increase (Decrease) in Investments</i>		
	Cash, bank deposit receipts and treasury bills	\$ 46,630,000	\$ 34,468,000
	Secured loans, and advances to clients	(94,158,000)	76,779,000
	Securities	(13,705,000)	4,747,000
	Receivables under equipment leases	3,395,000	9,559,000
	Mortgages	618,135,000	309,232,000
		\$560,297,000	\$434,785,000
	Cash paid on acquisition of subsidiaries (in addition to issue of 1,506,526 shares for total consideration of \$29,825,000 in 1976)	5,945,000	5,302,000
	Purchase of minority interest in subsidiary	2,549,000	
	Additions to properties	6,621,000	6,868,000
	(Increase) decrease of income taxes payable	(3,701,000)	17,685,000
	Dividends paid	11,455,000	9,948,000
	Other – net	7,185,000	5,563,000
	FINANCIAL RESOURCES APPLIED	\$590,351,000	\$480,151,000

Note

In addition, through acquisition of subsidiaries, net assets increased as follows	1977	1976
Investments	\$ 31,322,000	\$303,079,000
Other assets	1,456,000	23,782,000
Excess of cost of investment in subsidiaries over net assets acquired	3,069,000	20,499,000
	\$ 35,847,000	\$347,360,000
Less – Deposits and borrowings	(29,621,000)	(295,578,000)
Other liabilities	(281,000)	(16,655,000)
Consideration in Cash and Shares	\$ 5,945,000	\$ 35,127,000

Notes to the Consolidated Financial Statements

1. Accounting Policies

(i) Principles of consolidation

All subsidiary companies are included in the consolidated financial statements with the exception of BM-RT Ltd. which is 50.1% owned by the Company and is referred to below under investment in affiliates.

The principal subsidiaries are Royal Trustco Limited, Royal Trust Corporation of Canada, The Royal Trust Company of Canada (a U.K. Corporation), The Royal Trust Company of Canada (C.I.) Ltd. (located in Jersey, the Channel Islands), The Royal Trust Company (Ireland) Limited, The Royal Trust Company (Isle of Man), Royal Trust Bank Corp. (in Florida), The Royal Trust Company Mortgage Corporation, Computel Systems Ltd., The Bankers' Trust Company, Royal Agencies Ltd., Builders Financial Co. Limited, Place d'Armes Realty Co. Ltd., Doreal Investments Ltd. and The Royal Trust Company (International) Ltd.

(ii) Excess of cost of investment in subsidiaries over acquired equity in net assets

The excess of cost of investment in subsidiaries over the acquired equity in their net assets is being amortized, at present over 20 years.

(iii) Investment in affiliates

Investment in affiliates includes BM-RT Ltd. which is 50.1% owned by the Company. BM-RT Ltd. is adviser to the publicly held BM-RT Realty Investments, an open-end real estate trust. BM-RT Ltd. serves as the official conduit for funding the operations of the trust and as such its assets consist almost entirely of funds advanced to the trust from proceeds of the public issue of short term notes and debentures by BM-RT Ltd. The Company either directly or through its investment in BM-RT Ltd. is the owner of only 9.86% of the trust and the consolidation of the assets, liabilities and operations of the adviser with those of the Company would not be appropriate. The Company's share of earnings of BM-RT Ltd. has been included in fees from managed investment funds in the Consolidated Statement of Profit and Loss.

Investments in other affiliates are recorded at cost and income is reflected in the Consolidated Statement of Profit and Loss when realized through dividends paid by these affiliates.

(iv) Foreign currencies

All amounts in foreign currency have been translated into Canadian dollars at the rates of exchange prevailing at the end of the year. Adjustments arising on translation of currencies are included in the Consolidated Statement of Profit and Loss.

(v) Depreciation policies

Premises, equipment, leasehold improvements and investment properties are depreciated over their estimated useful lives, as follows:

On the straight-line method:

Head Office premises (carrying value of \$23,808,000) – over 75 years

Leasehold improvements – over 5 years

Investment properties – over 35 years

On the declining balance method:

Equipment and other assets – at approximately 20% per year

Gains or losses on disposal of fixed assets are recognized in earnings. Depreciation of premises, equipment and investment properties and amortization of leasehold improvements charged to operations amounted to \$6,173,000 in 1977 and \$5,021,000 in 1976.

(vi) Recognition of revenues and expenses

With the exception of fees for administration of estates, fees and commissions are recorded on an annual basis as earned. Estates administration fees are chargeable only upon the completion of preliminary administration and no provision is made in the Company's accounts for fees on work in progress. Debt discount and underwriting commissions are amortized over the term of the issues.

(vii) Leasing transactions

The Company's leasing operations consist principally of the leasing of aircraft, railway rolling stock and ships. The leases expire over a period of 13 to 17 years.

The equipment leasing transactions are recorded as loans receivable and rental payments are treated as blended payments of principal and interest to amortize such loans over the period of the lease.

Any gains resulting from the residual values of leased assets are reflected in earnings only when realized.

(viii) Gains and losses on investments

Loans and mortgages are considered as delinquent when payments of principal or interest

are in arrears for 60 days at which time legal collection procedures usually are commenced. Delinquencies are reviewed monthly and, if required, an appropriate provision is recorded in the Company's accounts for estimated losses.

Gains and losses on securities, based on average cost, are recorded only upon sale of such securities except when there is a default to pay either principal or interest, or when there is what is considered to be a permanent decline in value, at which time a provision to cover estimated losses is recorded.

(ix) Income taxes

The Company follows the tax allocation method of accounting for income taxes. Under this method income taxes are calculated on the basis of reported profit rather than on profits currently taxable. The principal timing differences relate to the reserve for mortgages allowed under the federal and provincial Income Tax Acts, to equipment leases and to the losses of subsidiaries to be applied in future years.

No provision is made for withholding taxes or Canadian taxes which would be exigible on dividends from foreign subsidiaries, if it is intended that the earnings of the subsidiaries will be retained by them.

2. Subsidiaries

(i) On May 6, 1977, the Company acquired all the common shares of the First Bank of Pembroke Pines, and on June 22, 1977, all the common shares of Baymeadows Bank (subsequently their names were changed to Royal Trust Bank of Broward County and Royal Trust Bank of Jacksonville) both operating in the State of Florida. The total consideration was \$5,945,000 in cash.

The results of operations of both subsidiaries have been included in the Consolidated Statement of Profit and Loss from the dates of their acquisition.

These transactions were recorded as follows:

Total assets	\$32,778,000
Total liabilities	29,902,000
Net assets at fair value	\$ 2,876,000
Excess of cost of investment over acquired equity in net assets	3,069,000
Total consideration	\$ 5,945,000

(ii) During 1977 a detailed review of assets acquired on the purchase in 1976 of United Trust Company was completed. As a consequence the purchase price was reallocated increasing the "excess of cost of investment in subsidiaries over acquired equity in net assets" and reducing other balance sheet accounts by \$2,561,000 from those previously reported in 1976. This change has no significant effect on income in 1976 or 1977. Further additions of \$290,000 arose from foreign exchange and other adjustments.

(iii) Because of ownership of banks in Florida, the Company's other activities in the U.S.A. must be ancillary to banking. In the opinion of the U.S. Federal Reserve Board, the operations of the California subsidiary of Computel Systems Ltd. (Information Systems Design, Inc.) are not ancillary to banking and consequently it ordered the Company to divest itself of control of that subsidiary. Negotiations have been completed for its sale and divestiture was recorded effective June 30, 1977. No gain or loss has been recorded on this sale and it is not expected that this divestiture will have any material impact on future profits.

(iv) On April 30, 1977 the Company purchased from Continental Illinois Corporation its 49.98% interest in Builders Financial Co. Limited, which now operates as a wholly-owned subsidiary. The total consideration was \$2,549,000 in cash, which represents the fair value of net assets acquired.

3. Assets held under Administration and Guaranteed Account – Trust Funds for Investment.

Clients' accounts and guaranteed funds are kept separate from the Company's funds and are so earmarked in the books of the Company as to show the accounts to which they belong.

As at December 31 deposits include \$4,119,305,000 for 1977 and \$3,579,913,000 for 1976 accepted for Guaranteed Account. Assets segregated to secure these deposits are as follows:

	1977	1976
Cash, bank deposit receipts and treasury bills	\$ 557,965,000	\$ 535,893,000
Secured loans	70,910,000	171,481,000
Securities	315,245,000	306,139,000
Equipment leases	139,593,000	138,381,000
Mortgages	3,035,592,000	2,428,019,000
	\$4,119,305,000	\$3,579,913,000

4. Receivables under Equipment Leases

The Company has assumed the debt obligations of other parties involved in equipment lease financing. These obligations, amounting to \$91,019,000 as at December 31, 1977 (\$93,202,000 in 1976), are included in both Borrowings and Investments in the Consolidated Balance Sheet.

5. Mortgages Payable

Mortgage of \$17,820,000 on head office premises bears interest at the rate of 6 $\frac{1}{8}$ % and matures April, 1994. Other mortgages bear rates of interest varying between 6% and 12% and mature between 1978 and 1994. Principal instalments due in 1978 amount to \$1,443,000.

6. Commitments and Contingencies

(i) Outstanding commitments as at December 31, 1977, for future advances to be secured by mortgages and for advances to be made on equipment leases are \$358,521,000 of which \$56,515,000 are for trust clients whose accounts are administered by the Company.

(ii) The Company has contractual obligations in respect of leases payable as follows:

	Total sums payable in period
Within 5 years	\$ 56,892,000
6 to 10 years	27,699,000
11 to 15 years	11,639,000
16 to 20 years	3,535,000
21 to 25 years	1,135,000
	<u>\$100,900,000</u>

\$11,994,000 of this amount relates to a partially owned subsidiary. Rents in 1977 were \$10,597,000.

(iii) The Company is Trustee and Manager of Royal Trust M Fund, the purpose of which is the investment of the Fund's assets in first mortgages on properties in Canada. It is anticipated that there will be ample cash and marketable securities available to cover the withdrawal by participants in the fund from time to time. However, should the withdrawals exceed the cash and marketable securities then available, the Company has guaranteed to find a purchaser for such number of the mortgages held by the fund at a price not less than 95% of the value thereof as will realize sufficient funds to enable such withdrawals to be made.

As at December 31, 1977, total assets of Royal Trust M Fund aggregated \$534,313,000 including \$40,416,000 in bank deposits and interest receivable and \$493,897,000 in mortgages.

(iv) The Company has entered into agreements for the sale of certain properties, subject to verification of conditions and warranties given by the Company and by the purchasers. Closings of these transactions are scheduled for the early part of 1978. When, and if, these transactions are completed, it is estimated that after tax profits of \$3,000,000 will be realized and recorded in the Company's accounts in 1978.

(v) The Company is in the process of acquiring an additional bank in the State of Florida. The agreement involves the payment of cash, the amount of which will be determined when the agreement is consummated. It is estimated that the total consideration for the bank will not exceed \$2,500,000.

(vi) On July 2, 1976 an action was instituted in the Supreme Court of Ontario against the Company claiming damages in the amount of \$15,000,000 for breach of an alleged contract. The Company denies any liability and is defending this action.

(vii) On December 20, 1977 the Company declared a dividend for the first quarter of 1978 of \$0.24 on A and B shares to be paid on February 10, 1978 to shareholders of record January 26, 1978.

7. Anti-Inflation Act (Canada)

The Company is subject to the regulations of the Anti-Inflation Act (Canada) which imposes restrictions on revenues, compensation to employees and payment of dividends to shareholders. Management believes that the Company and its subsidiaries are in compliance with the Act and its regulations. Under present regulations dividends on the Company's shares during the year ending October 13, 1978 may not exceed \$1.03 per share.

8. Capital Stock

(i) The Company's authorized capital of 20,000,000 common shares is designated as A shares and B shares which are interconvertible. Dividends paid on A shares are taxable dividends under federal and provincial tax legislation whereas dividends on B shares are tax deferred. Prior to an amendment to the Income Tax Act (Canada) in 1977, the Company paid dividends on B shares equivalent to those paid on A shares after deducting a 15% tax. Amendments to tax legislation now permit payment of tax deferred dividends on B shares without the 15% tax up to December 31, 1978. The first of such dividends was paid on August 10, 1977. After December 31, 1978 ordinary dividends on both A and B shares can be paid only as taxable dividends.

(ii) 10,651 fully paid shares were issued during 1977, under an employees' stock option plan for a total consideration of \$163,000. Under this plan, employees are entitled to purchase specified amounts of the Company's shares annually for 5 years at 10% less than market price at the time of the granting of the options. The following options have been granted but not exercised; 35,267 shares at \$25.20 each, 15,782 shares at \$18.45 each, 23,315 shares at \$17.88 each, 33,549 at \$16.09 each and 23,665 at \$13.95 each.

9. Pension Plan

The most recent actuarial valuation of the Company's pension plan was made by independent actuaries, as of December 31, 1976, and indicated no unfunded liability.

10. Remuneration of Directors and Senior Officers

For the year ended December 31, 1977 the aggregate direct remuneration paid or payable by the Company to Directors and Senior Officers was \$1,890,000 and the estimated aggregate cost for the year of all pension benefits proposed to be paid to Senior Officers in the event of retirement at normal retirement age was \$165,000.

Ten-Year Review

Year-End Position

		(Dollars in thousands)	
		1968	1969
Assets	Cash, bank deposit receipts and treasury bills	\$ 96,577	\$ 126,998
	Secured loans, and advances to clients	82,877	97,291
	Securities	384,735	423,672
	Receivables under equipment leases	—	—
	Mortgages	510,395	682,419
	Premises, equipment and leasehold improvements	35,364	35,492
	Other assets	10,224	12,687
		\$1,120,172	\$1,378,559
Deposits and Borrowings	Deposit certificates	\$ 789,473	\$1,013,164
	Savings and chequing accounts	69,649	91,904
	Short term notes and debentures	158,590	168,649
		\$1,017,712	\$1,273,717
Other Liabilities, Deferred Income Taxes and Minority Interest	Other liabilities	\$ 38,945	\$ 32,312
	Deferred income taxes	4,774	5,578
	Minority interest	5,001	5,043
		\$ 48,720	\$ 42,933
Shareholders' Equity		\$ 53,740	\$ 61,909
Total Assets Under Administration (in billions)	Estimated market value	\$ 8.9	\$10.0

Results for Year

		(Dollars in thousands)	
		1968	1969
Income	<i>Fees and commissions from</i>		
	Estates, trusts and agencies	\$ 9,629	\$ 10,072
	Real estate sales and property management	4,643	5,796
	Stock transfer agencies and bond trusteeships	3,091	3,319
	Pension trusts and institutional accounts	2,332	2,666
	Mortgage administration	2,093	2,206
	Managed investment funds	158	611
	Computer services	—	—
	Miscellaneous	398	843
	Total fees and commissions	\$ 22,344	\$ 25,513
	<i>Investment income from</i>		
	Mortgages	\$ 31,539	\$ 47,557
	Securities and equipment leases	19,010	33,949
	Collateral loans	4,187	6,735
	Short term deposits	7,741	10,081
	Total investment income	\$ 62,477	\$ 98,322
	Total income	\$ 84,821	\$ 123,835
Expense	Interest paid	\$ 48,889	\$ 79,476
	Salaries, commissions and staff benefits	16,515	20,338
	Net premises expenses	3,316	3,163
	Other expenses	5,809	7,650
	Total expenses	\$ 74,529	\$ 110,627
Profit Before Income Taxes		\$ 10,292	\$ 13,208
Less	Interest of minority shareholders in net profit of subsidiary companies	\$ 250	\$ 275
	Income taxes	5,496	6,588
		\$ 5,746	\$ 6,863
Net Operating Profit		\$ 4,546	\$ 6,345
	Net gains (losses) on investments	689	(143)
	Foreign exchange adjustment	(45)	(36)
	Gain (loss) on disposal of premises	81	888
	Income tax applicable to above items	(322)	(133)
Net Profit	(Before extraordinary item in 1977)	\$ 4,949	\$ 6,921

1970	1971	1972	1973	1974	1975	1976	1977
\$ 236,896	\$ 282,158	\$ 343,272	\$ 493,779	\$ 427,214	\$ 555,294	\$ 628,536	\$ 680,600
91,470	104,963	127,361	182,272	157,379	143,818	233,163	145,830
478,236	525,688	464,914	380,556	449,093	360,220	403,922	408,663
—	—	—	—	13,154	80,820	138,381	139,593
838,655	960,697	1,174,517	1,553,652	2,019,235	2,239,117	2,761,133	3,379,885
34,633	30,353	29,965	31,233	35,883	37,841	47,739	49,043
7,688	8,248	11,161	17,467	18,084	18,599	56,394	63,516
\$1,687,578	\$1,912,107	\$2,151,190	\$2,658,959	\$3,120,042	\$3,435,709	\$4,269,268	\$4,867,130
\$1,285,919	\$1,492,554	\$1,604,179	\$2,046,374	\$2,475,745	\$2,636,826	\$3,116,027	\$3,526,374
104,439	129,123	194,902	211,041	215,577	309,010	513,014	703,063
185,809	172,446	221,825	244,379	269,101	305,156	405,457	380,052
\$1,576,167	\$1,794,123	\$2,020,906	\$2,501,794	\$2,960,423	\$3,250,992	\$4,034,498	\$4,609,489
\$ 28,455	\$ 27,911	\$ 26,954	\$ 34,367	\$ 21,823	\$ 38,878	\$ 35,597	\$ 44,454
7,506	8,279	9,547	17,038	26,996	25,081	37,295	48,453
5,006	5,552	5,632	7,935	8,312	8,851	10,482	6,776
\$ 40,967	\$ 41,742	\$ 42,133	\$ 59,340	\$ 57,131	\$ 72,810	\$ 83,374	\$ 99,683
\$ 70,444	\$ 76,242	\$ 88,151	\$ 97,825	\$ 102,488	\$ 111,907	\$ 151,396	\$ 157,958
\$10.7	\$11.2	\$12.6	\$14.0	\$13.6	\$15.1	\$16.8	\$19.2

1970	1971	1972	1973	1974	1975	1976	1977
\$ 10,914	\$ 10,814	\$ 11,079	\$ 13,241	\$ 13,690	\$ 13,979	\$ 15,685	\$ 16,971
7,256	12,173	17,978	30,414	43,026	55,501	76,871	97,827
3,280	3,514	4,115	4,044	4,237	4,645	5,325	5,556
2,938	3,216	3,827	4,380	5,522	6,064	6,809	7,496
2,287	2,742	3,474	4,050	4,275	5,263	6,134	8,252
1,109	1,890	3,003	4,186	4,440	5,349	6,156	7,241
—	—	—	—	—	12,672	15,314	14,787
857	947	1,344	764	1,965	1,316	1,901	2,977
\$ 28,641	\$ 35,296	\$ 44,820	\$ 61,079	\$ 77,155	\$ 104,789	\$ 134,195	\$ 161,107
\$ 65,508	\$ 82,122	\$ 96,004	\$ 126,127	\$ 173,653	\$ 204,112	\$ 248,866	\$ 311,806
37,428	32,301	31,368	23,839	30,124	38,895	38,837	43,737
7,007	5,731	6,858	10,485	12,479	11,714	15,575	16,335
15,003	22,398	25,307	39,997	74,999	52,419	66,546	62,497
\$ 124,946	\$ 142,552	\$ 159,537	\$ 200,448	\$ 291,255	\$ 307,140	\$ 369,824	\$ 434,375
\$ 153,587	\$ 177,848	\$ 204,357	\$ 261,527	\$ 368,410	\$ 411,929	\$ 504,019	\$ 595,482
\$ 104,269	\$ 113,106	\$ 127,146	\$ 161,130	\$ 248,146	\$ 254,635	\$ 308,755	\$ 355,501
23,475	29,243	35,573	49,260	63,576	82,157	108,878	138,008
3,814	4,203	4,879	5,655	6,665	8,241	11,401	17,055
8,086	10,621	13,096	17,113	23,196	31,322	39,980	50,752
\$ 139,644	\$ 157,173	\$ 180,694	\$ 233,158	\$ 341,583	\$ 376,355	\$ 469,014	\$ 561,316
\$ 13,943	\$ 20,675	\$ 23,663	\$ 28,369	\$ 26,827	\$ 35,574	\$ 35,005	\$ 34,166
\$ 279	\$ 283	\$ 386	\$ 654	\$ 670	\$ 606	\$ 677	\$ 429
6,867	10,323	10,800	13,469	12,220	16,023	14,718	15,223
\$ 7,146	\$ 10,606	\$ 11,186	\$ 14,123	\$ 12,890	\$ 16,629	\$ 15,395	\$ 15,652
\$ 6,797	\$ 10,069	\$ 12,477	\$ 14,246	\$ 13,937	\$ 18,945	\$ 19,610	\$ 18,514
402	(59)	563	100	(1,192)	(1,270)	(110)	(510)
(24)	111	(169)	(181)	(19)	(877)	(1,135)	3,239
—	(216)	909	—	76	205	189	42
(144)	160	(478)	12	638	702	574	(155)
\$ 7,031	\$ 10,065	\$ 13,302	\$ 14,177	\$ 13,440	\$ 17,705	\$ 19,128	\$ 21,130

Boards of Directors, Other Subsidiaries

Computel Systems Ltd. Ottawa, Ontario

Directors:

Robert T. Horwood, *Chairman*
Frederick B. Brooks-Hill
Edward P. Cannon
David A. Golden
Richard T. La Prairie
Charles E. O'Connor
G. Roger Otley
Robert S. Traquair
Kenneth A. White

The Royal Trust Company Mortgage Corporation Montreal, Quebec

Directors:

Conrad F. Harrington, *Chairman*
Donald N. Byers
Alastair M. Campbell
Fraser M. Fell
Eric L. Hamilton
Richard T. La Prairie
The Hon. George C. Marler
John L. O'Brien
Keith C. Pilley
The Hon. M. Riel, *Senator*
John M. Scholes
Kenneth A. White

Royal Trust Bank Corp. Miami, Florida

Directors:

Kenneth A. White, *Chairman*
Conrad F. Harrington
Allan I. Isaacson
Richard T. La Prairie
Richard A. Pallot
John M. Scholes
Ewart A. Wickens

Royal Trust Bank of Miami, N.A. Miami, Florida

Directors:

Richard A. Pallot, *Chairman*
Guillermo Bermello
Edward C. Haynes
G. Edward Kattel
Herbert M. Levin
William L. Pallot
Elda Santiero
Samuel Seitlin
Theodore W. Slack, Sr.
Theodore Spak

Royal Trust Bank of St. Petersburg Gulfport, Florida

Directors:

Robert W. Caldwell, Jr.
Gary R. Crum
Richard Dowling
William H. Langhoff
Richard A. Pallot, *Acting Chairman*

Royal Trust Bank of Tampa Tampa, Florida

Directors:

James W. Walter, *Chairman*
Joe B. Cordell
Richard Dowling
James W. Kynes
William H. Langhoff
George A. Levy
Thomas C. MacDonald
Richard A. Pallot

Royal Trust Bank of Palm Beach, N.A. Palm Beach, Florida

Directors:

George C. Slaton, *Chairman*
H. Loy Anderson, Jr.
Walstein Findlay, Jr.
Kathy Glatzer
Homer H. Marshman
Jesse D. Newman
Richard A. Pallot

Royal Trust Bank of Jacksonville Jacksonville, Florida

Directors:

Jack C. Demetree, *Chairman*
Gary R. Crum
Joseph C. Gill
Jerry F. Gilliam
Walter L. Harvey
George A. Helow
John E. Mathews, Jr.
Richard A. Pallot
Edward W. Starkey

Royal Trust Bank of Broward County Pembroke Pines, Florida

Directors:

Richard A. Pallot, *Chairman*
H. Loy Anderson, Jr.
Stephen H. Barnett
John C. Chinelly, Jr.
Richard Dowling

Royal Trust Bank of South Dade, N.A. South Dade County, Florida

Directors:

Richard A. Pallot, *Chairman*
Edward C. Haynes
Stephen H. Barnett
Carroll L. Payne
Samuel Seitlin

The Royal Trust Company of Canada London, England

Directors:

Sir Francis E.P. Sandilands, *Chairman*
Roland B. Breton
David L. Donne
David Forsyth
Nigel R. Godwin
Conrad F. Harrington
Marcus R. Kimball
Ian D. Sneddon
Colin S.R. Stroyan
Kenneth A. White

The Royal Trust Company of Canada (C.I.) Ltd.

St. Helier, Jersey

Channel Islands

Directors:

Senator Reginald R. Jeune, *Chairman*
Malcolm G. Gates
Conrad F. Harrington
Sir Robert Le Masurier
Sir Robert Marett
Francis Perrée
Ian D. Sneddon
Kenneth A. White

The Royal Trust Company (Ireland) Limited

Dublin, Ireland

Directors:

John H. Donovan
J. Brian Doyle
Conrad F. Harrington
Kevin Mulcahy
Ian D. Sneddon
Alan W. Warnock
Kenneth A. White

The Royal Trust Company (Isle of Man)

Douglas, Isle of Man

Directors:

Eric S. Behn
Edward R.M. Gawne
Andrew J. Hall
Conrad F. Harrington
Kenneth A. White

The International Royal Trust Company A.G.

Vaduz, Liechtenstein

Directors:

Dr. Gerard Batliner
Gordon W.P. Camble
Malcolm G. Gates
Conrad F. Harrington
Ian D. Sneddon
Dr. Jean-Marc Vuille
Kenneth A. White

The Royal Trust Company A.G. Zürich, Switzerland

Dr. Jean-Marc Vuille

Advisory Boards

Newfoundland

Robert S. Hannen, *Chairman*
Wilfrid J. Ayre
Charles R. Bell
Henry Collingwood
Harold L. Lake
John J. Murphy
James W. Parker
Ian J. Reid

Nova Scotia

James R. Beasant, *Chairman*
Laurence F. Daley
C. Wilmot Dean
Leonard A. Kitz
George Mitchell
Derek Oland
John W. Snook
William J. Stephens
Joseph Zatzman
Sherman F.H. Zwicker

New Brunswick

Peter W. Carrodus, *Chairman*
J. Eric Cormier
James M. Crosby
Harold C. Gunter
E. Neil McKelvey
Philip W. Oland
Winston A. Steeves
Joseph V. Streeter

Québec

Henri C. Renaud, *Chairman*
Paul A. Audet
Stan E. Brock
Pierre Côté
Jacques de Billy
Roger Létourneau
Jean A. Pouliot

Sherbrooke

Guy Lemay, *Chairman*
Charles E. Bélanger
BGen Jean P. Gautier
Raymond Martin
Herbert A. Simons
David M. Stearns
Mortimer M. Vineberg

Trois-Rivières

Jean-Paul Rousseau, *Chairman*
Gen Jean Victor Allard
Pierre Lajoie
Pierre Leblanc

Ottawa

Philip E. Johnston, *Chairman*
LGen Frank J. Fleury
David A. Golden
Gordon F. Henderson
MGen Harry F.G. Letson
Fletcher W. Troop
Andrew B. Weir
Richard P. White

Kingston

Herbert H. Barber, *Chairman*
Douglas G. Cunningham
Clifford A. Curtis
Arthur L. Davies
William A. Kelly
Lawrence G. Macpherson
Dr. John A. Milliken

Toronto

Robert S. Traquair, *Chairman*
Robert A. Cranston
John F. Ellis
Charles P. Fell
Lawson A. Kaae
John P.G. Kemp
John W. McKee
Frank A. Schulman
David G. Waldon

Hamilton

Allan C. McKean, *Chairman*
John D. Campbell
Roy G. Cole
Ronald K. Fraser
Thomas E. Nichols
Trumbull Warren

Kitchener-Waterloo

Eric J. Dorman, *Chairman*
Stuart R. Goudie
Hartman H. L. Krug
Dr. H. John Lackner
Theodore A. Witzel
John A. Young

St. Catharines

Uel R. Van Sickle, *Chairman*
James B. Brown
David A. Macfarlane
LCol E. Frank McCordick
Alan S. Notman
Dr. Boyce E. Sherk
Philip H. Sullivan

London, Ont.

William J. Noble, *Chairman*
Donald H. Anderson
George H. Belton
Francis W. Dowler
David M. Gunn
Frederick W. P. Jones
John F. Quinney

Sarnia-Lambton County

William Gordon, *Chairman*
Charles O. Fairbank
Gordon Ferguson
Gordon H. Findlay
C. Howard Huctwith
Herbert S. Matthews
W. Logan Millman
George W. Parker
Stanley Wilk
Roger A. Wilson

Windsor

David S. R. Mellor, *Chairman*
Charles J. Clark
Alfred E. Downing
Robert F. Kiborn

Sault Ste. Marie

Glen S. Scollon, *Chairman*
Robert L. Curran
William M. Hogg
Douglas C. Joyce
Leonard N. Savoie

Thunder Bay

John W. Corbishley, *Chairman*
Charles J. Carter
John N. Paterson
William J. R. Paton
Robert J. Prettie

Winnipeg

D. Donald Ross, *Chairman*
Samuel N. Cohen
A. Searle Leach
J. Derek Riley
Stewart A. Searle, Jr.
George H. Sellers

Regina

Laurier A. Carrière, *Chairman*
R. James Balfour
Dr. E. William Barootes
Gordon W. Staseson

Saskatoon

Kenneth J. Candlish, *Chairman*
Warren C. Champ
G. Blair Nelson

Calgary

John A. Burleton, *Chairman*
Albert T. Baker
Dudley E. Batchelor
James B. Cross
Norris R. Crump
Frederick A. McKinnon
David E. Mitchell
Alastair H. Ross
Marshall M. Williams

Edmonton

Philip S. H. Brodie, *Chairman*
Charles W. Carry
Harry Hole
Egerton W. King
John F. McDougall
William S. McGregor
G. Richard A. Rice

Vancouver

Nicholas R. D. Dennys, *Chairman*
Robert G. Bentall
A. John Ellis
William S. Kirkpatrick
The Hon. John L. Nichol
John G. Prentice
John H. Salter
The Hon. James Sinclair
J. Bruce Smith
C. Reginald Tanner

Victoria

Alan G. Aldous, *Chairman*
David Angus
John W. Bayne
S. Joseph Cunliffe
RAdm James C. Hibbard
Harold Husband
Ralph D. Perry
Hector C. Stone

Services

For the individual

Agent for the investment of money and collection of dividends, interest, rent, and the principal of mortgages, bonds and stocks

Agent or attorney for executors

Agent for the management of estates

Certificates of Deposits (Guaranteed Investment Certificates) with terms up to 5 years and the option of interest payments, monthly, semi-annually, annually or compounded over 5 years

Committee or curator to property

Estate planning

Executor and Trustee under wills, including Administrator or Agent for the heirs in estates where there is no will

Income-Averaging Annuity contracts

Income tax services

Investment management

Managed investment funds (A, B, C and M)

Management and custodianship of securities

Mortgage insurance

Mortgage life insurance

Mortgage loans

Professional Athletes Financial Services

Real estate broker; sales, leasing, property management, appraisals, employee relocation services

Registered Home Ownership Savings Plans

Registered Retirement Savings Plans, including:

- Guaranteed savings account retirement savings plan;
- B Fund Retirement Savings Plan
- C Fund Retirement Savings Plan
- M Fund Retirement Savings Plan
- Guaranteed Retirement Savings Plan

Self Directed Retirement Savings Plan

Royal Trust 60 – for clients of sixty years and over

Savings and chequing accounts

Standing-by attorney

Trustee under deeds of trust

For corporations, firms and other organizations

Agent for real estate, mortgages and lease back agreements

Computer processing and programming services

Custodian and trustee for non-resident insurance companies

Deferred Profit Sharing Plans

Depositary and escrow agent

Depositary for medium and short term money against Guaranteed Investment Certificates

General financial agent and all related services

Group Retirement Savings Plan

Interim and long term mortgage financing

Management of endowment funds, collection of pledges, etc., for charitable, religious, educational and similar bodies

Management and custodianship of securities

Paying agent for dividends and bond interest

Property management

Subscription and rights agent

Transfer agent and registrar for shares

Trustee for bondholders and registrar for bonds

Trustee for buy-sell agreements under business insurance trusts

Trustee and custodian for pension and other employee benefit plans



Member:
Trust Companies
Association
of Canada

